

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

March 21, 2011

7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Frank Yanish. Members present on a roll call were Mayor Yanish, Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Steve Ahmann, Rick Fagerlie, Jim Dokken, and Tim Johnson; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief David Wyffels, Fire Chief Marv Calvin, Public Works Director Holly Wilson, Finance Director Steve Okins, Community Education and Recreation Director Steve Brisendine, Planning and Development Services Director Bruce Peterson, and Administrative Assistant Audrey Peterson.

Additions to the Agenda included an announcement regarding a Historic Preservation meeting and a Council Work Session with Springsted Incorporated.

Council Member DeBlieck requested that the Municipal Utilities Commission Minutes of March 14, 2011, be removed from the Consent Agenda.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of March 7, Planning Commission Minutes of March 16, Accounts Payable through March 16, Community Center Council Minutes of February 1 and March 1, Housing and Redevelopment Authority Board Minutes of February 8 and 15, and Willmar Design Center Board Minutes of March 9, 2011. Council Member Ahmann seconded the motion, which carried.

The Council discussed Resolution No. 10 of the Municipal Utilities Commission Minutes. General Manager Bruce Gomm presented details of the Utilities' participation in ownership of the proposed \$750 million CapX 2020 high-voltage transmission line between Brookings, South Dakota and the Metro area in an amount not to exceed \$12,391,375. Mr. Gomm explained the agency projects a 12.38% guaranteed rate of return (approximately \$200,000 per year) which would be used to offset energy transmission costs. Following a lengthy discussion, the Municipal Utilities Commission Minutes of March 14, 2011, were approved as presented and placed on file in the City Clerk's Office upon a motion by Council Member DeBlieck, seconded by Council Member Fagerlie, and carried. Council Member Anderson voted "No."

At 7:38 p.m. Mayor Yanish opened the hearing to consider vacation of a portion of Pacific Avenue SW and 8th Street SW. Municipal Utilities General Manager Gomm presented details of the request to vacate a portion of Pacific Avenue SW from 7th Street to 10th Street SW and 8th Street from Benson Avenue SW to the railroad tracks. The vacation will allow construction of a structure over the coal storage area, allow for future improvements, and provide immediate and permanent safety measures for employees using the area. It is the Utilities' intention to put temporary barricades at the end of each portion of vacated streets, allowing MUC truck access but would block public access. It was noted that all of 8th Street and Pacific Avenue Southwest will be retained as a utility easement to protect underground public/private facilities. There being no one present to speak for or against the proposed street vacation, Mayor Yanish closed the hearing at 7:42 p.m.

Following a lengthy discussion, Resolution No. 1 was introduced by Council Member Christianson,

seconded by Council Member Dokken, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

VACATING A PORTION OF A PUBLIC STREET

WHEREAS, the vacation of those portions of dedicated street as described below was initiated by the City:

That portion of Pacific Ave. SW described as follows: starting at the southeast corner of Lot 1, Block 16, Original Town (now City) of Willmar; thence south to the northeast corner of Lot 1, Block 20, Original Town (now City) of Willmar; thence west along the southerly line of Pacific Ave. SW to the northwest corner of Lot 12, Block 18, Original Town of Willmar; thence north to the southwest corner of Lot 12, Block 14, Original Town (now City) of Willmar; thence east along the northerly line of Pacific Ave. SW to the point of beginning, and

That portion of 8th St. SW described as follows: starting at the southwest corner of Lot 12, Block 20, Original Town (now City) of Willmar; thence west to the southeast corner of Lot 1, Block 19, Original Town (now City) of Willmar; thence north along the westerly line of 8th St. SW to the northeast corner of Lot 1, Block 15, Original Town (now City) of Willmar; thence east to the northwest corner of Lot 12, Block 16, Original Town (now City) of Willmar; thence south along the easterly line of 8th St. SW to the point of beginning.

WHEREAS, the proposed vacation has been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacation and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the proposal to vacate that portion of said streets on March 21, 2011; and

WHEREAS, the City Council of Willmar finds that it is in the best interests of the City of Willmar to vacate that portion of said streets;

NOW, THEREFORE, BE IT RESOLVED, that the above described portion of dedicated streets be, and hereby is, vacated.

BE IT FURTHER RESOLVED, that the City shall retain a 70' utility easement over the storm and sanitary sewer lines.

BE IT FURTHER RESOLVED that a certified copy of the Resolution be filed with the Kandiyohi County Recorder on or after March 28, 2011.

Dated this 21st day of March, 2011.

/s/ Frank Yanish

MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Mayor Yanish then called on Mr. Gomm to provide a status report on the wind turbine project. Mr. Gomm reported that the turbines, built in 2009 to meet the State's renewable energy standards were seen as an economical source of generation as well environmentally responsible. The units have been running 93-94 percent of the time, which is better than the national average. Various maintenance issues were discussed and it was noted any loss was covered by warranty payments from the manufacturer, DeWind Corporation. Mr. Gomm stated the turbines have met MUC expectations.

Mayor Yanish acknowledged Kammy Nelson who had registered to address the City Council during its scheduled Open Forum. Ms. Nelson provided an update of Home Front Connection and noted that "Yellow Ribbon City" signs were being installed at various City entrances. Mayor Yanish thanked Ms. Nelson for her presentation and for the service to the Community provided by Home Front Connection.

Police Chief Wyffels presented to the Mayor and Council the 2010 Police Department's Annual Report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

Mayor Yanish called for a recess at 8:44 p.m. and reconvened the meeting at 8:54 p.m.

The Finance Committee Report for March 14, 2011, was presented to the Mayor and Council by Council Member Anderson. There were four items for Council consideration.

Item No. 1 John Sullivan spoke to the Local Option Sales Tax program, favoring a sunset by September, 2011, because other issues need to be addressed such as quiet zones and flooding areas. David Herzer urged the City to consolidate with surrounding communities in order to reduce expenses. This matter was for information only.

Item No. 2 Staff explained to the Committee that Dan Groothuis is requesting to obtain a Right of First Refusal to lease City-owned land located at the end of the runway at the new airport. This area is currently being leased out for farming purposes, and was initially purchased from Mr. Groothuis to accommodate the City's long-range plans for cargo planes requiring the extra 1,000 feet of runway to land. At this time, the City is not in a position to sell this property and it has been determined by City Attorney Ronning that none of the Minnesota Statutes he reviewed that pertain to this issue would provide Mr. Groothuis the Right of First Refusal. Mr. Groothuis then requested the City grant him that option for renting this parcel when the current leases expire in 2014. Following discussion, this matter was referred to the next Finance Committee meeting. This matter was for information only.

Item No. 3 Staff provided to the Committee an analysis of Capital Appropriations for years 2007 through 2010. This matter was for information only.

Item No. 4 The Committee received from Staff an historical overview of the Local Option Sales Tax program, including the November, 2004, General Election Proposal and Referendum Question, the statute approved by the legislature in 2005, and City Attorney's confirmation in 2010 that the tax expires at the later of seven years after the date the tax is first imposed, which would be December 31, 2012, or when the \$8,000,000 for capital and administrative costs and for retiring the debt has been reached. The Bike Paths and Civic Center/Blue Line Center Connection have both been completed. Phase I in the Industrial Park is substantially completed and has been replatted. Phases II and III in the Industrial Park are incomplete and include street and infrastructure construction, Willmar Avenue improvement, and Western Collector. Chair Anderson stated that a recommendation must be made by the Committee if the City is to terminate the local option sales tax program early, otherwise it will be allowed to continue through 2012. This matter was for information only.

The Finance Committee Report for March 14, 2011, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Fagerlie, and carried.

The Public Works/Safety Committee Report for March 15, 2011, were presented to the Mayor and Council by Council Member Reese. There were four items for Council consideration.

Item No. 1 Rhonda Rae of Donohue and Associates briefed the Committee on activities for the month of February related to the Wastewater Treatment Plant Relocation Project. Program management activities included submittal of Pay Request No. 17 for the 30-year loan to the Public Facilities Authority for the Clean Water Revolving Fund. The firm continues to provide information for the City's asset management, maintenance and operational program. Work continues on gravity collection piping and force main piping costs. Donohue is assisting legal counsel and City Staff to provide information on the property acquisition.

Projects 0813-D3 and 0814-D4 are substantially complete. Meetings continue between the City and property owners regarding the final restoration of properties. Project 0815-D5 was approved for final project acceptance and final payment in September 2010 and Project 0816-D6 approved in January 2011. All systems at the new Wastewater Treatment Facility are operational. The contractor continues working on punch list items and post start-up services. All training is complete.

The construction of Project No. 1017-B, decommissioning of the old facility, is progressing. Construction in the Administration Building is near completion. The contractor has removed the majority of the Effluent Pump Station and Secondary Settling Basin. The bases of the two structures will remain. They have begun the removal of Digesters 1 and 4. The fiberglass covers from the RBCs have been hauled away. Demolition and removal of the Excess Flow Basins, Biofilter Building, Trickling Filter and Sludge Thickener is complete. Equipment and process piping have been removed from the Fine Screen Building. This matter was for information only.

Item No. 2 Staff informed the Committee that the segment of 10th to 14th Street on Gorton Avenue NW is approved as part of the reconstruction program proposed in the 2011 Improvements. This section will be expending State Aid Funds and in order to meet State standards for street width, the City is required to removing parking from one side. Staff is recommending the parking be removed from the south side following completion of the improvements. It was noted that many of the homes bordering this side of the street face Campbell Avenue.

Following discussion, the Committee was recommending to the Council that parking on the south of side of Gorton Avenue NW from 10th to 14th Streets upon completion of the construction be removed. Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Fagerlie, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

RELATING TO PARKING RESTRICTIONS on S.A.P. 175-129-008; Gorton Avenue NW from 10th Street NW to 14th Street NW in the City of Willmar, Minnesota.

WHEREAS, the "City" has approved the improvement of Gorton Avenue NW, State Aid Route No. 175-129-008 from 10th Street NW to 14th Street NW in the City of Willmar, Minnesota; and

WHEREAS, the "City" will be expending Municipal Street Aid Funds on the improvements of this street; and

WHEREAS, this improvement does not provide adequate width for parking on both sides of the street; and approval of the proposed construction as a County/Municipal State Aid Street Project must therefore be conditioned upon certain parking restrictions.

NOW, THEREFORE, BE IT RESOLVED that the "City" shall ban the parking of motor vehicles on

the south side of Gorton Avenue NW from 10th Street NW to 14th Street NW at all times.

Dated this 21st day of March, 2011.

/s/ Frank Yanish

MAYOR

/s/ Michael Schmit

Attest: CITY ADMINISTRATOR

Item No. 3 Police Chief Wyffels reviewed the history of Administrative Citations with the Committee. In 2003, the City passed an ordinance whereby a person could pay the base fine of \$50.00 with no court imposed surcharges. If a person felt they were not guilty of the offense, they were able to go to court and contest the violation. The money was collected and kept by the City. In 2009, the State of Minnesota passed a law which curtailed the use of administrative citations for cities. Staff is recommending repealing the ordinance in its entirety.

The Committee was recommending the Council introduce an ordinance to repeal in its entirety Municipal Code sections 10-76 through 10-82 for hearing. Council Member Reese moved to introduce an Ordinance Repealing in its Entirety Willmar Municipal Code Sections 10-76 through 10-82 Establishing an Administrative Fine Program and schedule a public hearing on April 4, 2011. Council Member DeBleck seconded the motion, which carried.

Item No. 4 Fire Chief Calvin initiated a request to grant permission to Police, Fire and Public Works Departments of the City to assist outside agencies with spring flooding in 2011. The Committee was recommending the Council grant permission for the City Administrator to authorize assistance in spring flood efforts when requested by outside agencies assuming local resources and flexible schedules are available. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Fagerlie seconding the motion, which carried.

The Public Works/Safety Committee Report for March 15, 2011, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Reese, seconded by Council Member DeBleck, and carried.

The Community Development Committee Report for March 17, 2011, was presented to the Mayor and Council by Council Member Dokken. There were ten items for Council consideration.

Item No. 1 David Herzer suggested that the Council pursue a property maintenance ordinance for commercial buildings. This matter will be taken up by the Committee at a future meeting. Laura Becker expressed concern about conditions at the Center Point Mall. This matter was for information only.

Item No. 2 The Committee discussed zoning violations and noted the matter had been discussed at a previous Committee meeting and referred to the City Attorney for a Zoning Ordinance amendment dealing with prosecution of violations. This matter was for information only.

Item No. 3 Staff informed the Committee that, due to the length of the past winter season and the amount of snow received, there was a lot of buried junk and garbage in the neighborhoods. For that reason, Staff will be conducting a zoning enforcement sweep of the entire City shortly after the snow has melted. The local media will be contacted to provide public service announcements prior to the sweep. This matter was for information only.

Item No. 4 Staff informed the Committee that final documents required for the establishment of the Mid-Central Research and Outreach Center were ready for approval and execution.

The required documents are the sub-lease between the City of Willmar and the University of Minnesota for the building at the MinnWest Technology Campus, and the grant agreement between the City and Minnesota Department of Employment and Economic Development in the amount of \$1.25 million for facility renovation. The sub-lease and amendments have been reviewed by legal counsel on both sides and Staff has completed its review of the grant agreement. By executing these two documents, construction on the MinnWest Campus facility can begin and it is hoped the Research and Outreach Center will be open for business approximately six months after construction begins.

Mayor Yanish recognized Steve Salzer, MinnWest Technology Campus Manager, who presented information on the state-of-the-art research laboratory, staffing, office space, conference center and future engineering opportunities.

Following discussion, the Committee was recommending the Council adopt a resolution approving the sub-lease and amendments and to authorize the Mayor and City Administrator to execute the documents. Resolution No. 3 was introduced by Council Member Dokken, seconded by Council Member Ahmann, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

WHEREAS, the City of Willmar desires to enter into a Sublease Agreement and Amendments to Sublease Agreement with the Regents of the University of Minnesota for real estate described as Unit 32 in Common Interest Community No. 40, MinnWest Technology Campus, for the purpose of development of the Mid Central Research and Outreach Center; and

WHEREAS, an agreement and amendments have been prepared detailing the terms of the sub lease.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that said agreement and amendment be approved and that the Mayor and City Administrator be authorized to execute the same.

Dated this 21st day of March, 2011.

/s/ Frank Yanish

MAYOR

/s/ Michael Schmit

Attest: CITY ADMINISTRATOR

The Committee was recommending the Council adopt a resolution approving the DEED grant agreement and authorizing the Mayor and Administrator to execute the document. Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member DeBlieck, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

WHEREAS, the City of Willmar desires to enter into a Grant Agreement with the Minnesota Department of Employment and Economic Development for the building at 1802 18th ST NE, on the MinnWest Technology Campus, for the purposes of constructing, furnishing, and equipping the building and for the Mid Central Research and Outreach Center;

WHEREAS an agreement has been prepared detailing the terms of the Grant.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that said

agreement be approved and that the Mayor and City Administrator be authorized to execute the same.

Dated this 21st day of March, 2011.

/s/ Frank Yanish

MAYOR

/s/ Michael Schmit

Attest: CITY ADMINISTRATOR

Item No. 5 Staff informed the Committee that because of the recent approval given to the transfer of JOBZ benefits at the Willmar Fabrication site, Willmar Fabrication is now requesting JOBZ benefits at another site they own in the Industrial Park and at the Bernick's property on 19th Avenue that they will occupy as they continue the production of fertilizer equipment. By State statute, it is necessary for the City to modify its sub-zone to make this happen. The sub-zone modification requires a public hearing and Staff recommended that the Committee take action to recommend a public hearing for the April 4, 2011, Council meeting. This JOBZ sub-zone modification does come at a cost to the taxing jurisdictions and the local property tax portion of the JOBZ benefits is estimated to be approximately \$165,600 over a 5-year period. This figure is based on a JOBZ tax calculator provided by the State of Minnesota.

The Committee was recommending to the Council that the JOBZ sub-zone modification hearing be set for the April 4, 2011 Council meeting. Council Member Dokken moved to approve the recommendation of the Community Development Committee with Council Member Ahmann seconding the motion, which carried.

Item No. 6 Staff informed the Committee that it is in the process of verifying occupancy at the addresses the Municipal Utilities are claiming to not have water service. If the homes are occupied, Staff will give notice to owners and occupants to abate the condition within a 72-hour period. Failure to do so will result in the Building Official issuing orders to vacate the premises. It is anticipated that the verification of occupancy and notices to abate will be provided to all affected properties by March 25, 2011. This matter was for information only.

Item No. 7 Staff informed the Committee that layoff notices have been provided to all Copperleaf employees by the firm that currently holds the contract for managing the facility. Their contract expires on May 28, 2011. It is anticipated that a new firm hired to manage the facility will re-hire the current employees. This matter was for information only.

Item No. 8 The Committee discussed preliminary results of the 2010 census. Those results showed the City of Willmar gaining nearly 7% in population between 2000 and 2010. It was noted that Willmar and Kandiyohi County are one of the few growing areas in West Central or Southwest Minnesota. This matter was for information only.

Item No. 9 Chair Dokken requested that Committee meetings be recorded and shown beginning in April, 2011. Council Member DeBlieck said he would support audio recording but didn't like the idea of video recording in the Council Chambers because of the size of the room and its inappropriateness for Committee meetings. Council Member Ahmann spoke against the formality of a televised Committee meeting. He said he preferred face-to-face contact with citizens. Council Member Christianson said he liked the idea of televising the meetings because it better reflects the true flavor of the discussion.

The Committee was recommending to the Council that Community Development Committee meetings be recorded in the Willmar City Office Building conference room and shown on WRAC 8, effective April – December 2011. Council Member Dokken moved to approve the recommendation of the

Community Development Committee with Council Member Christianson seconding the motion.

It was noted that this matter was scheduled to be discussed at an upcoming Council Strategic Planning Retreat. Following discussion, Council Member Dokken withdrew his motion and Council Member Christianson withdrew his second.

Item No. 10 Council Member Christianson reported that changes to the HRA management structure will be announced in the near future. This matter was for information only.

The Community Development Committee Report for March 17, 2011, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Dokken, seconded by Council Member Christianson, and carried.

The Mayor and Council considered a request for a Civic Center Arena Special Event Permit. City Administrator Schmit informed the group that the Civic Center has rented space to the West Central Builders Association, a non-profit corporation, for a two-day show on March 26 and 27, 2011. On the 26th WCBA plans to offer free alcohol to their members after closing hours and all patrons have left. A Civic Center Arena Special Event Permit is required to distribute or consume alcohol on the Civic Center grounds. The Kandi Entertainment Center has applied for the permit. Following discussion, Council Member DeBlieck moved to approve the Civic Center Arena Special Event Permit as presented. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0, Council Member Ahmann abstained from voting.

Mayor Yanish initiated discussion on possible dates for the Council's 2011 Strategic Planning Session. It was the consensus of the Council to schedule the Planning Session for April 29, 2011.

Announcements for Council Committee meeting dates were as follows: Finance, March 28; and Community Development March 31, 2011.

City Administrator Schmit informed the Council that it is necessary to schedule a Work Session with Springsted Incorporated to discuss the Executive Search for a City Administrator. Following discussion, the Work Session with Springsted Incorporated was scheduled for April 13, 2011, at 4:45 p.m.

Council Member Ahmann informed the Mayor and Council that representatives of the State Historical Preservation Office will be in Willmar on March 29, 2011, to discuss the reuse of historic buildings. The event is sponsored by the Willmar Design Center.

Council Member Ahmann requested that the Public Works/Safety Committee review Litchfield Avenue and 3rd Street SW as it is the only intersection in the Central Business District without a stop sign.

Council Member DeBlieck announced that he would be absent from the April 4, 2011, City Council meeting.

There being no further business to come before the Council, the meeting adjourned at 9:47 p.m. upon motion by Council Member Reese, seconded by Council Member Anderson, and carried.

Attest:

MAYOR

ACTING SECRETARY TO THE COUNCIL